

## Head Start Funding

ACYF Administration on Children, Youth and Families	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families	
	1. Log No. ACYF-PI-HS-06-03	2. Issuance Date: 03/29/2006
	3. Originating Office: Head Start Bureau	
	4. Key Word: FY 2006 Funding	

**PROGRAM INSTRUCTION:** [[See Attachment at the bottom](#)]

**TO:** Head Start and Early Head Start Grantees and Delegate Agencies

**SUBJECT:** Head Start Funding

**INFORMATION:**

On January 31, 2006, the Administration for Children and Families (ACF) issued a Program Instruction on the one percent reduction in the base funding level of all Head Start grantees. This reduction is being implemented because of the requirements of Public Law 109-149, which mandated a one percent rescission in virtually all discretionary programs.

ACF is aware that this reduction is, for some Head Start programs, exacerbated by increased operating costs in such areas as utility costs, transportation costs and fringe benefit rates. We are further aware that since that Instruction was issued there have been many inquiries made to both Regional Offices and the Head Start Bureau about ACF's expectations in terms of how grantees were to implement their Fiscal Year 2006 funding allocation in a way that honors Head Start's commitments to serve children and families and assures continued quality and cost effectiveness. The attached discussion is intended to provide guidance to all grantees on this matter.

Sincerely,

Frank Fuentes  
Acting Associate Commissioner  
Head Start Bureau

**Attachment:**

[[Attachment:](#)] [Head Start Funding](#)

Head Start Funding. ACYF-PI-HS-06-03. DHHS/ACF/ACYF/HSB. 2006. English.